Sale of opium in the grey market

4324. SHRI YADLAPATI VENKAT RAO: Will the Minister of FINANCE be pleased to state:

(a) whether opium farmers of U.P. and Rajasthan are selling opium in the grey market at exorbitant rates;

(b) if so, whether any enquiries have been made on the diversion of the produce; and

(c) the action taken against those involved?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) Cases of opium seizure have been detected in which some licenced opium poppy cultivators have been found to be engaged in diversion of licit opium.

(b) and (c) Thorough investigations are conducted in all cases where opium poppy cultivators are found to be involved in the diversion of licit opium. Such cultivators are not only debarred from licence but prosecution is also launched against them under the provisions of the Narcotic Drug and Psychotropic Substances (NDPS) Act, 1985. Embezzlement/diversion of opium by the opium poppy cultivators is punishable under the NDPS Act with imprisonment and fine.

Resumption of aids by Japan

4325. SHRI NANA DESHMUKH: Will the Minister of FINANCE be pleased to state:

(a) whether a freeze on fresh aid on new projects in India and yen loans was made effective by Japan during 1998-99;

(b) whether a Japanese delegation to resume aid came to India during March, 2002; and

(c) if so, the details of the decisions taken at the meet?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Yes, Sir.

(c) the Government of Japan and the Government of India through mutual consultations have identified economic infrastructure, environmental protection

and basic human needs like health, education, water and sanitation as the areas for possible assistance.

Customs duty on Chemicals and Fertilizers

4326. SHRI VIJAY J. DARDA: Will the Minister of FINANCE be pleased to state:

(a) whether it has been urged upon Government to arrest the steep fall in the basic customs duty on chemicals and fertilizers;

(b) if so, the present rate of customs duty being charged from chemicals and fertilizers;

(c) whether the Department of Chemicals and Fertilizers have also recommended that the customs duty on capital goods and spare parts be reduced to make the project import cheaper; and

(d) if so, what is the Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) Some representations were received for maintaining the basic customs duty on chemicals.

(b) The general rate of basic customs duty on chemicals is 30%, and on fertilizers 5%. However, specified chemicals and fertilizers attract lower rates of duty.

(c) Yes, Sir. Department of Chemicals and Petro-chemicals and Department of Fertilizers had requested for reduction in customs duty on capital goods and spare parts.

(d) The recommendations were examined. However, it has not been possible to acced to the same.

Working capital for small scale sector

4327. SHRI VIJAY J. DARDA: Will the Minister of FINANCE be pleased to state:

(a) whether the Confederation of Indian Industries has *inter alia* suggested Government to have a sub target within priority sector lending to promote alternative sources of finance, to establish an independent credit rating agency and to make the Nayak Committee norms regarding working capital applicable